

News in Papers / Online :

Welspun Completes Deal with PE Major Apollo Global – The Economic Times

Apollo completes Welspun Corp buy – Financial Express

Apollo Global investments \$350 mn in welspun – Mint

Apollo Management Completes \$350mn investement in Welspun – VCCircle

Apollo Management and Welspun conclude India largest private equity investments – India info line

Apollo Management and Welspun conclude one of India's largest private equity investments

Silvasa, August 18, 2011: In the Board meeting held at Silvasa, Board of Directors of Welspun Corp Ltd (WCL) authorized the issuance and allotment of CCDs and GDR to certain affiliates of Apollo Global Management, LLC (together with its subsidiaries, Apollo), one of the leading global alternative asset managers, which effectively concludes one of India's largest PE transactions between Welspun Group (Welspun) and Apollo.

As a part of the total commitment, funds affiliated with Apollo have invested approximately USD 290 million in WCL, of which approximately USD 175 million has been invested by way of the preferential allotment of FCD / CCD (Fully / Compulsorily Convertible Debentures) and approximately USD 115 million by way of non-voting Global Depository Receipts (GDR's). The FCD's / CCD's carry a coupon of 5% and will be mandatorily fully converted within 18 months into equity shares at Rupees 225 per share, which represents 13.3% of the equity capital of WCL. Funds affiliated with Apollo have also subscribed for non-voting GDR's of USD 115 million at the same price of Rupees 225 per share.

Further, funds affiliated with Apollo have acquired 12.5% of the equity of Welspun Maxsteel Ltd. (WMSL) from Welspun Steel Limited for a total consideration of approximately USD 31 million. Such funds have also agreed to invest approximately USD 29 million into WMSL to be used for additional capital expenditures.

Mr. Sanjay Patel, Head of International Private Equity and Senior Partner of Apollo Management International LLP and Mr. Mintoo Bhandari, the Managing Director of AGM India Advisors Ltd have been appointed to the Board of WMSL as Apollo nominees. Furthermore, Mr. Mintoo Bhandari has also been appointed to the Board of WCL as Apollo nominee.

Apollo and its affiliates are also in active discussions with Welspun Infratech Ltd. (WITL), a subsidiary of WCL, to explore an additional investment of up to USD 150 million in WITL and its subsidiaries, in the form of debt, equity or a combination of the two. The end use of

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the funds in WITL will be project specific and the form of such investments is being actively reviewed and considered.

About Welspun Group www.welspun.com

USD 3 billion Welspun Group, is an amalgamation of expertise, resources, opportunities and engineering excellence. With global leadership positions in line-pipe and home textiles, its marquee client list includes most of the Fortune 100 Companies operating in the Oil & Gas and Retail sectors like Chevron, Exxon Mobil, Wal-Mart, and Target amongst others. With a strong foothold in over 50 countries, over 24,000 employees and over 100,000 shareholders, Welspun is one of India's fastest

growing conglomerates. Welspun believes in its crucial role as a responsible corporate citizen and practices empowerment of the underprivileged and sustenance of the environment. Guided by the six 'E's - Enrichment of mind, Enrichment of body, Education, Empathy, Empowerment of Women and Environment sustenance, we believe each and every Welspun employee contributes towards the betterment of the community at large.

About Welspun Corp Ltd. (WCL) www.welspuncorp.com

WCL is a one-stop service provider offering complete pipe solutions with the capability to manufacture line-pipes ranging from ½ inch to 100 inches, along with specialized coating, double jointing and bending. With current capacity of approximately 2 million MTPA in Dahej, Anjar in Gujarat, India, Little Rock, Arkansas in the USA and Saudi Arabia, Welspun takes pride in being a preferred supplier to most of the Fortune 100 Oil & Gas companies. With 360 degree offerings, WCL has undertaken some of the most challenging projects in different parts of the world. The company has further strengthened its services to become an integrated pipe manufacturer by setting up a world class plates and coils manufacturing facility. Since its inception, WCL has consistently excelled in new business ventures and is committed to its strategy of complete integration by being a one stop solution in the line-pipe segment, capturing the entire value chain from manufacturing of plate & coil to line pipe and finally to pipe laying. With business excellence being a clear focus, the company will continue with its clear mandate on innovation, technology, global scale operations and capturing the entire value chain as much as possible to generate value for its stakeholders.

About Welspun Maxsteel Ltd www.welspunmaxsteel.com

Welspun Maxsteel Ltd. is the largest merchant producer of gas based Direct Reduced Iron (DRI) in the country and the first and the only one of its kind in the world to produce both HBI and DRI from the same reactor using state of the art technology. WMSL was formed on 22 May, 2009 after Welspun Steel Ltd. completed the acquisition of Vikram Ispat, the Sponge Iron division business of Grasim Industries Ltd. The facilities are spread across 435 acres of land with a captive Port, and is located in Salav Village in Raigad District of Maharashtra.

About Apollo Global Management, LLC www.agm.com

Apollo is a leading global alternative asset manager with offices in New York, Los Angeles, London, Frankfurt, Luxembourg, Singapore, Mumbai and Hong Kong. Apollo had assets under management of approximately \$72 billion as of June 30, 2011, in private equity, credit-oriented



capital markets and real estate funds invested across a core group of nine industries where Apollo has considerable knowledge and resources.

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Certain information contained in this press release may be “forward-looking” in nature. These forward-looking statements are based on management’s beliefs, as well as assumptions made by, and information currently available to, management. Although Welspun and/or Apollo believe that the expectations reflected in these forward-looking statements are reasonable, they can give no assurance that these expectations will prove to be correct. Due to various risks and uncertainties, actual events or results or the actual performance of the

Fund may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information. Forward-looking statements may be identified by the use of terminology including but not limited to, “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue”, or “believe” or the negatives thereof or other variations thereon or comparable terminology. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

This release does not constitute an offer to buy or the solicitation of an offer to sell an interest in an Apollo fund.

The information in this release has been included in good faith and is for general purposes only. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this press release shall constitute an invitation to invest in Welspun. or any of its affiliates. None of Apollo’s, Welspun’s, or their affiliates’ officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any indirect, incidental or consequential loss of profit.

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